

REMARKS/ARGUMENTS

Applicant appreciates the Examiner's continued thorough search and examination of the present patent application.

Applicant further notes with appreciation the Examiner's indication that no art rejections are made with respect to Claims 9 and 23.

Claim 1 has been amended to define applicant's invention. Applicant respectfully submits that the amendment to Claim 1 makes explicit that which applicant believed to be already implicit and, therefore, is not made for statutory purposes related to patentability.

Claims 1-38 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant respectfully submits that claim 1, as amended, complies with 35 U.S.C. §112, second paragraph and reconsideration is respectfully requested.

Claims 1-4, 6-8, 10-14, 17-19, 22, 24-26, 28, 31-32, 34, 36, 37, and 39-41 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Wachob (5,155,591) in view of Logan et al. ("Logan," 5,721,827), as explained in paragraph 6. Claims 15, 16, 20, 27, 29-30, 33, 35, 38, 40 and 42 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Wachob and Logan as applied to claim 14, and further in view of Herz et al. ("Herz," 6,088,722), as explained in paragraph 7. Reconsideration is requested in view of the amendments to the claims herein and the following remarks.

As noted in applicant's previous Response, the primary reference, Wachob, is but one example of the variety of systems which comprise a "method and apparatus for providing demographically targeted television commercials." There is no disclosure in this primary reference of any intent to provide or control the dissemination of targeted television commercials based on any "reward" criteria or mechanism. The invention of claim 1, as amended, includes a facility that sets rewards to viewers who provide viewer profile information, based on certain criteria. That criteria is designed to increase the level of rewards based on both the quality and quantity of information provided by the viewer. In this manner, targeting of advertising can be very much improved.

Applicant directs the Examiner's attention to paragraphs [0041]-[0047] of applicant's written disclosure. Examples of rewards defined in those respective paragraphs include one or

more of coupons, cash, frequency and duration of commercials, fixed pods of targeted commercials, and commercials that closely match a viewer's personal profile. As specifically recited in claim1, the rewards include setting the "durations of advertising content" in some relationship to the rewards that have been set. This might be reducing the durations of the advertising substantially, which would result in less annoyance to viewers.

Wachob does not teach or suggest such system. It sets no "rewards" and it cannot alter the duration of an advertisement to suit a level of rewards which have been set for a particular viewer or a group of them. Indeed, the Office Action recognizes that Wachob does not disclose a system as defined in Claim1 (as presently amended). Wachob replaces commercials with different commercials or with music or other types of information of identical duration. It does not control duration and does not provide any reward in exchange for a viewer's cooperation in providing profile information.

The Office Action has therefore turned to the secondary Logan reference, which generically describes a system for electrically distributing personalized information. Logan teaches an audio program and message distribution system in which subscribers pay for various program content. Alternatively, subscribers can obtain credits against the subscriber fee by electing to receive advertising materials. There is no disclosure in this secondary reference of tie-in with television advertising or intertwining a reward with the durations of television or broadcast commercials.

Perhaps recognizing that Logan does not disclose the system of the present invention which is structurally configured to provide rewards, the Office Action generically states (at the second paragraph on page 5 thereof) that Logan's system "sets different rewards based on the different criteria of [viewers'] profiles, the rewards being more free content for experiencing more ads; in other words in Logan, the reward is the free programming to watch/listen to; the profile specifies a number of ads to watch which determines a ratio or a rate for rewards[.]" Applicant respectfully, but emphatically, disagrees.

Logan's system is not at all about rewards. Instead, it is about substituting one form of payment for another. All of the content described in Logan is based on a paid subscription, and each user receives content in return for a subscription fee. In lieu of paying the subscription fee, Logan offers its subscribers credit towards the subscription fee by adding advertisements to the

program content. Therefore, in contradistinction to the Examiner's characterization of Logan, there is no reward and there is no programming content that is provided for "free." Instead, users pay for program content either by agreeing to receive advertisements, or by tendering money.

In the Office Action, the Examiner cites to columns 9-10 and 25-26 and the abstract. A careful review of those cited passages, in addition to the figures and the remaining disclosure in Logan, does not reveal any teaching or suggestion of a reward, a facility that sets rewards based on criteria that is associated with viewer profile data, and/or control that responds to the rewards set by the rewards facilities. Applicant submits that Logan's quid pro quo system enables users to pay in part for a subscription to program content by agreeing to receive advertising content. In particular, a variety of accounting and analysis reports and billing functions are taught that identify payment for receiving content in terms of usage and the cost or credit attributed to a particular program vis-a-vis a subscription fee or reception of advertising content (see column 26, lines 5-8, and column 26, lines 53-column 27, line 27). Detailed billing records indicate the precise extent to which "advertising was actually presented" and advertisers pay only for advertising known to have been "effectively delivered." Therefore, the system in Logan teaches a complex accounting structure which is based on payment that is conditionally received from advertisers (based upon a user's agreement and the user's subscription fees).

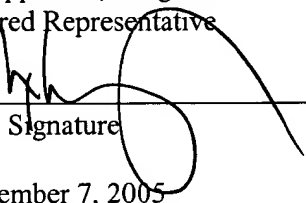
The facility that sets the rewards is structurally and functionally intertwined with the program content selector and the advertising inserter and controls it structurally and functionally, to alter a physical parameters. The structure and the function of the present invention, as set forth in claim1, is simply not described nor suggested in the prior art. The prior art of record would not lead one of ordinary skill in the art to the invention of claim1, except if one were to employ (improperly) hindsight to seize on disparate pieces of prior art information and to employ the information provided by the present application to arrive at what is set forth and clearly defined in claim1 herein.

The remaining ones of the claims which depend on claim1 include all of its limitations and impose further limitations thereon which distances each of them even further from the prior art. As such, it is respectfully submitted that claim1 and its dependent claims clearly distinguish over the prior art.

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as First Class Mail in an envelope addressed to: Mail Stop AF, Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450, on September 7, 2005:

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Name of applicant, assignee or
Registered Representative

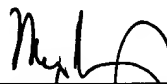

Signature

September 7, 2005

Date of Signature

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Respectfully submitted,



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